

ORIGINAL

SOUTH COAST AQMD
CLERK OF THE BOARD
2025 JAN 29 AM 9:29

PETITION FOR MODIFICATION OF AN EXISTING VARIANCE
BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

IA
1/30/25

PETITIONER: University of California, Los Angeles

CASE NO: 5708-3

FACILITY ID: 18452

FACILITY ADDRESS : 731 Charles E. Young Drive South
[location of equipment/site of violation; specify business/corporate address, if different, under Item 2, below]

CITY, STATE, ZIP: Los Angeles, CA 90095

1. TYPE OF MODIFICATION REQUESTED

- (a) **MODIFICATION/EXTENSION OF A FINAL COMPLIANCE DATE:** If you are operating under a variance and will not be in full compliance by the final compliance date, you may request an extension of the variance and a modification of the final compliance date. **A petition requesting such an extension must be filed at least 45 days prior to the existing final compliance date in order to meet the legal notice requirement.** *(Hearing will be held approximately 45 days from date of filing--30-day published notice required.)*
- (b) **MODIFICATION OF VARIANCE CONDITIONS:** If you are unable to comply with one or more conditions of an existing variance, you may request a modification of variance conditions. *(Hearing will be held approximately 21 days from date of filing--10-day published notice required)*
- (c) **MODIFICATION OF INCREMENTS OF PROGRESS:** If you are unable to comply with one or more increments of progress of an existing variance and additional time is required, you may request a modification of those increments of progress. *(Hearing will be held approximately 21 days from date of filing--10-day published notice required.)*
- (1) **INTERIM AUTHORIZATION:** If compliance with an increment of progress cannot be achieved and you are unable to notify the Hearing Board at least 21 days in advance in order to schedule a noticed hearing, the Board can consider granting **one** extension of the increments of progress (interim authorization). **However**, an interim authorization cannot be granted: (1) for more than 30 days; or (2) to extend a final compliance date of an existing variance. *(Hearing will be held approximately 2 working days from date of filing or the next available hearing date thereafter.)*
- (d) OTHER: Specify:

Persons with disabilities may request this document in an alternative format by contacting the Clerk of the Board at 909-396-2500 or by e-mail at clerkofboard@aqmd.gov.

If you require disability-related accommodations to facilitate participating in the hearing, contact the Clerk of the Board at least five (5) calendar days prior to the hearing.

[ALL DOCUMENTS FILED WITH CLERK'S OFFICE BECOME PUBLIC RECORD]

2. **CONTACT:** Name, title, company (if different than Petitioner), address, and phone number of persons authorized to receive notices regarding this Petition (no more than two authorized persons).

<u>Michael Grant-Martin</u>	<u>Maya Lopez Grasse</u>
<u>Senior Project Manager</u>	<u>Counsel</u>
<u>UCLA</u>	<u>Alston & Bird LLP</u>
<u>1060 Veteran Avenue Zip 90095</u>	<u>350 South Grand Ave. 51st Floor Zip 90071</u>
<u>☎ (310) 977-6953 Ext.</u>	<u>☎ (213) 576-2526 Ext.</u>
<u>Fax (310) 206-8392</u>	<u>Fax (213) 576-1100</u>
<u>E-mail MLGrant@capnet.ucla.edu</u>	<u>E-mail Maya.Grasse@Alston.com</u>

3. List the equipment and/or activity that are the subject of this petition, if different from the existing variance. (Attach copy of last minute order regarding this variance)

Equipment/Activity	Application/ Permit No.	RECLAIM Permit/Device No.	Date Application/Plan Denied (if relevant, attach copy of denial letter)
Cogeneration System No. 2	578701/ G52423	N/A	
Air Pollution Control System No. 2	578702/ G52424	N/A	

4. List all District rules, and/or permit conditions from which you are requesting variance relief, if different from the existing variance. Attach copies of the Permit(s) to Construct and/or Permit(s) to Operate the subject equipment **only if you are adding** a request for relief from permit conditions. If RECLAIM or Title V facility, attach only the relevant sections of the Facility Permit (for example, showing the equipment or process and conditions that are the subject of this petition).

Rules	Explanation

5. Explain the steps taken since the last hearing to achieve compliance, including how you have met each of your existing variance conditions and/or increments of progress.

On December 19, 2024, the Hearing Board granted UCLA's request to modify the variance's final compliance deadline and conditions, and approved the increments of progress (see the minute order attached as Exhibit A).

UCLA has been diligent in project management and oversight, as explained particularly here and below in Paragraph 8. UCLA has met all planned construction milestones for Unit A and complied with all variance conditions and increments of progress to date. The turbine was commissioned as anticipated, and UCLA then went on to the testing phase. UCLA successfully completed initial performance source testing in accordance with Condition 19 of the Permit to Construct (Increment of progress no. 2a) and Turbine CEMS certification testing and RATA (Increment of Progress no. 2c). However, UCLA ran into challenges with Increment of Progress 2b – the reliability testing – which, like the other testing, as a January 31, 2025 deadline, as described below in Paragraph 5. UCLA has continued to comply with all other variance conditions as specified.

6. When did you first become aware that you would not be able to comply with the existing variance?

Date: 1/24/2025

7. What part(s) of the existing variance are you unable to comply with (final compliance date, specific increments of progress, and/or conditions)? For each part with which you cannot comply, provide an explanation.

UCLA had commenced the reliability testing (Increment of Progress 2b) in early January but experienced two significant and unanticipated issues that caused a delay in the ability to complete the reliability testing by January 31, 2025. While UCLA is set to resume reliability testing for the third time (as explained below) on January 29 and expects and hopes it will be completed without incident in 7 days, given the unanticipated issues to date, UCLA requests until February 28 to complete the reliability testing.

In the initial run of the reliability test, which began approximately January 4. The unit was tripped offline by an LAWDP event on January 7 due to the Palisades Fire. This shut the unit down due to safety a feature that provides that if there's a fluctuation in the grid (spiking high or dropping low) the turbine is designed to respond to the fluctuation by shutting down to protect the equipment.

It was unusual for the unit to trip at the level of voltage drop that occurred, so this necessitated taking several days to check the unit for any damage from the trip. Ultimately, there was no damage to the equipment from this trip, and in working with the manufacturer, the turbine's settings will be tweaked to accommodate this level of voltage drop.

The second round of reliability started approximately January 18. On the third or fourth day of the test, the contractor notified UCLA of "excessive heat generation" coming from the heat recovery ducting. The unit had to be shut down and needed time to sufficiently cool off in order to inspect it. Once inspected, it was apparent that a defect had formed in the duct serving the new Unit A turbine. This forced another pause in the reliability testing while the ductwork was refabricated and replaced.

The reliability test has to run for 7 full days per the contract between the manufacturer and UCLA. It was during the timeframe of the repair for the ductwork that UCLA realized, on January 24, that it would not be able to resume reliability testing in time to complete it in 7 days before January 31, 2025.

UCLA anticipates being able to resume reliability testing on Jan. 31 when the duct repair is completed on January 30. While UCLA hopes and anticipates that the reliability testing will be completed in the required 7 days, but since there have been unanticipated issues with new, complex equipment, UCLA requests until February 28 to allow for other potential unforeseen issues during the reliability testing phase.

8. How do you intend to achieve compliance with the rule(s) and/or permit condition(s)? Include a detailed description of any equipment to be installed and/or modifications or process changes to be made, a list of the dates by which the actions will be completed, and an estimate of total costs.

As described above, the ductwork will be completed this week and reliability testing will resume January 31. We hope that reliability testing will conclude without incident in 7 days, but given the possibility that additional unintended incidents will occur, UCLA is requesting until February 28, 2025 to complete the reliability testing.

UCLA has previously described how it intends to achieve compliance in its Petition for Modification of the Final Compliance Date, and the final compliance date remains unchanged as noted below in Paragraph 9.

9. State the date by which you expect to achieve final compliance: 3/28/2025 (unchanged from December 19, 2024 variance order)

If the regular variance is to extend beyond one year, you **must** include a **Schedule of Increments of Progress**, specifying dates or time increments for steps needed to achieve compliance. See District Rule 102 for definition of Increments of Progress.

As previously explained, UCLA is unable to take ownership of the new turbine until the performance testing, source testing, and completion of the turbine's continuous emissions monitoring system (CEMS) certification and relative accuracy test audit (RATA) are finalized. The reliability testing is the only part of the testing that still needs to be completed. Previously, the increment of progress for completion of turbine reliability testing was January 31, 2025; however, for reasons explained above in Paragraph 7, we are requesting that the deadline for that increment of progress be extended to February 28, 2025.

Based on the project schedule at the time of this filing, UCLA is confident that it will meet all other increments of progress by their scheduled deadlines, and achieve final compliance by the March 28, 2025.

10. Estimate excess emissions, if any, on a daily basis, including, if applicable, excess opacity (the percentage of total opacity above 20%) during the variance period. If the variance will result in no excess emissions, go to No. 11.

Pollutant	(A)	(B)	(C)*
	Total Estimated Excess Emissions (lbs/day)	Reduction Due to Mitigation (lbs/day)	Net Emissions After Mitigation (lbs/day)
NOx	72.64	0	72.64

*Column A minus Column B = Column C

Excess Opacity: _____ %

11. Show calculations used to estimate quantities in No. 10, or explain why there will be no excess emissions.

There is no change in the estimated excess emissions from the change in the increments of progress. The previously calculated excess emissions considered by the Hearing Board in December 19, 2024 remain effective.

12. Explain how you plan to reduce (mitigate) excess emissions to the maximum extent feasible. If no excess emissions, skip to No. 13.

UCLA will expeditiously pursue the completion of all increments of progress to remove the existing cogeneration turbine from service as soon as possible. UCLA will also maximize the use of the permitted auxiliary boiler and the currently installed various-locations rental boiler to reduce reliance on the existing cogeneration unit to the greatest extent feasible.

13. Explain how you will monitor or quantify emission levels from the subject equipment or activity during the variance period and make such records available to the District. **Any proposed monitoring does not relieve RECLAIM facilities from missing data requirements.**

UCLA will keep records of fuel usage and CEMS data to demonstrate that the emissions are as proposed.

14. What would be the harm to your business if the variance were not modified/extended as requested?

Economic losses: \$55-\$60 million Number of employees laid off (if any): 20

Provide detailed information regarding economic losses, if any (anticipated business closure, breach of contracts, hardship on customers, layoffs and/or similar impacts).

The harm to UCLA if it cannot operate the noncompliant turbine remains the same as previously stated. Similarly, if this interim authorization is not granted, UCLA could risk incurring administrative penalties as it seeks to complete required testing of the equipment.

15. List the names of any District personnel with whom facility representatives have had contact concerning this variance petition or any related Notice of Violation or Notice to Comply.

Chris Perri _____ Ext. 2696

Aaron Neuhauser _____ Ext. 2513

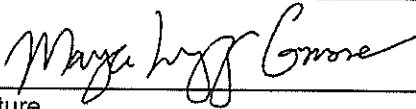
Shannon Lee _____ Ext. 2153

16. Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six (6) months? No Yes

Date of Complaint	Number of Complainant(s)	Nature of Complaint

The undersigned, under penalty of perjury, states that the above petition, including attachments and the items therein set forth, is true and correct.

Executed on January 28, 2025 at Normal, Illinois.


Signature

Maya Lopez Grasse
Print Name

Counsel
Title

(Petition for Modification: Revised December 10, 2008)

Attachment A

**BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MINUTE ORDER**

UNIVERSITY OF CALIFORNIA, LOS ANGELES
731 Charles E. Young Drive South
Los Angeles, CA 90095

Case No: 5708-3

Facility ID: 18452

Hearing Date: 12/19/2024 *Hearing Type:* MFCD/EXT

Consent Calendar: Yes

Previous Hearing: 12/12/2023

HEARING BOARD ACTION

Action: Modified/Extended

Starting Date: 12/19/2024

Ending Date: 3/28/2025

RULES

203 (b)

1134 (d)(3)

3002 (c)(1)

EQUIPMENT DESCRIPTION DEVICE/APPLICATION/PERMIT

Cogeneration System No. 2

A/N 578701 - G52423

Air Pollution Control System No. 2

A/N 578702 - G52424

CONDITIONS

1. Petitioner shall no later than December 15, 2023, provide South Coast AQMD with outstanding requested information to complete the permit to construct evaluation via email to AQ Engineer Chris Perri (cperri@aqmd.gov).
2. Petitioner will work expeditiously shorten the time where non-compliant turbines continue to operate. One non-compliant turbine will go out of service no later than October 1, 2024 in anticipation of demolition to install a new permitted turbine. The second non-compliant turbine will go out of service no later than the date specified in the increments of progress.

3. Prior to installation of the first new turbine, there will be a demolition period at the end of which the existing turbine will be taken out of service. Petitioner shall notify South Coast AQMD by emailing Inspector Aaron Neuhauser (Aneuhauser@aqmd.gov) and AQ Engineer Chris Perri (cperri@aqmd.gov) within 24 hours of the first turbine's removal from service. Removal from service means disconnecting the fuel lines. Installation of the first new turbine is complete upon conclusion of the reliability testing phase of the initial commissioning.
4. Upon completing installation (including reliability testing) of the first new turbine, Petitioner shall discontinue use of the second existing turbine within 2 calendar days and remove the turbine from service within 7 calendar days. Petitioner shall notify South Coast AQMD by emailing AQ Engineer Chris Perri (cperri@aqmd.gov) and Inspector Aaron Neuhauser (aneuhauser@aqmd.gov) within 24 hours of the removal from service. Removal from service means disconnecting the fuel lines.
5. Petitioner shall notify South Coast AQMD by emailing Chris Perri (cperri@aqmd.gov) and Inspector Aaron Neuhauser (aneuhauser@aqmd.gov) within 24 hours of the start of installation of the prime mover for the first turbine, within 24 hours of the start of commissioning (which shall be considered the "first fire" or "hot commissioning" of the turbine), and within 24 hours of the completion of installation (including emissions and performance testing), of the first new turbine.
6. Petitioner shall not conduct any liquid fuel testing in either of the existing turbines during the variance period, except for the purpose of testing to validate repairs in the event of a breakdown.
7. Within 10 calendar days of the end of each month during the variance period, Petitioner shall provide South Coast AQMD with the daily fuel usage for each turbine and updates on construction progress by Chris Perri (cperri@aqmd.gov) and Inspector Aaron Neuhauser (aneuhauser@aqmd.gov).

8. Petitioner shall notify the Clerk of the Board in writing within five (5) days of achieving final compliance by removing the second existing turbine from service, as referenced in Conditions #4 and 5.
9. Petitioner shall calculate, record, and report all excess emissions during the variance period. Petitioner shall submit calculations of excess emissions for all pertinent District Rule 303, Table 1 air contaminants to South Coast AQMD via email to Inspector Aaron Neuhauser (Aneuhauser@aqmd.gov) and AQ Engineer Chris Perri (cperri@aqmd.gov) within one week of achieving final compliance. Petitioner shall then pay excess emission fees to the Clerk of the Board within fifteen (15) days of notification in writing that the fees are due.

INCREMENTS OF PROGRESS

1. Completion of commissioning the new replacement turbine (T130 Solar Turbine Unit A) by January 8, 2025.
2. Completion of the following events by January 31, 2025, for T130 Solar Turbine Unit
 - a. Initial performance source testing in accordance with condition 19 of the applicable permit to construct;
 - b. Turbine reliability testing; and
 - c. Turbine CEMS certification testing and RATA.
3. Acceptance of control of new T130 Solar Turbine Unit A from installation group by March 14, 2025. This represents the completion of installation of the new T130 Solar Turbine Unit A in accordance with Variance Condition nos. 4 and 5, as applicable.
4. Removal of existing non-compliant turbine (LM1600 Unit B) from service in accordance with condition #4, but in no case later than later by March 21, 2025.

EXCESS EMISSIONS

NOx: 72.64 lbs/day

Failure to comply in full with any and all conditions and increments of progress may result in modification or revocation of this Order by the Hearing Board, and/or enforcement actions by the South Coast AQMD.

REMINDER

In the event Petitioner will be unable to comply with the final compliance date, a petition requesting a modification and extension of the variance must be filed. To meet notice requirements, the petition must be filed no later than February 11, 2025. In the event the hearing is not needed and taken off calendar, Petitioner may request a refund of 50% of the filing fee, however, Petitioner will be responsible for the publication fee.

Present:

Micah Ali, Chair
Robert Pearman, Esq., Vice Chair
Jerry P. Abraham, MD, MPH, CMQ
Mohan Balagopalan
Cynthia Verdugo-Peralta

Representing the Petitioner:

No Appearance

Representing the Respondent:

No Appearance

Petitioner's Exhibits:

#8 – Stipulation to Place Matter on Consent Calendar
#9 – Declaration of Michael Grant-Martin
#10 – Declaration of Michael Davidek
#11 – Proposed Findings & Decision
#12 – Permit to Construct 640708

Hearing Board's Exhibit:

HB-2 – Email Exchange Between Board Member
Balagopalan and Parties

Motion:

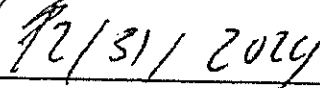
Ali/Verdugo-Peralta 5-0

Board
Review/Approval



Micah Ali

Dated



2/31/2024

Prepared by: Faye Thomas

Attachment: Findings and Decision of the Hearing Board